IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
CFM MAJESTIC U.S. HOLDINGS, INC., and CFM U.S. CORPORATION,	)	Case No.: 08-10668 (KJC)
	)	(Jointly Administered)
Debtors.	)	Hearing: September 18, 2008 at 11:00 p.m.
	)	Objections due: September 15, 2008 at 4:00 p.m.

MOTION OF DEBTORS FOR ENTRY OF AN ORDER AUTHORIZING ABANDONMENT, DISPOSAL, AND/OR DESTRUCTION OF CERTAIN BOOKS AND RECORDS

CFM U.S. Corporation ("CFM" or the "Debtor") and CFM Majestic U.S. Holdings, Inc. ("Majestic" and, collectively with CFM, the "Debtors"), by and through their undersigned counsel, hereby move this Court for entry of an order, pursuant to 11 U.S.C. §§ 105(a), 363, and 554 of title 11 of the United States Code (the "Bankruptcy Code"), authorizing the abandonment, disposal, and/or destruction of certain books and records of the Debtors. In support of this Motion, the Debtors respectfully represent as follows:

JURISDICTION

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief requested herein are §§ 105, 363, and 554 of the Bankruptcy Code.

GENERAL BACKGROUND

3. On April 9, 2008 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of title 11 of the United States Bankruptcy Code, 11 U.S.C. §§ 101 et seq.

DOCKET NO. 538
DOCKET FILED 8/28/08

4. A detailed description of the events leading up to this chapter 11 filing is set forth more fully in the Declaration of John Walker in Support of Debtors' chapter 11 Petitions and First Day Motions (the "Walker Declaration") which is fully incorporated herein by reference.

5. The Debtors have been operating their businesses and managing their property as debtors-in-possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code.

6. No request has been made for the appointment of a trustee or examiner. On April 17, 2008, the Office of the United States Trustee appointed an Official Committee of Unsecured Creditors (the "Creditors' Committee").

7. On June 30, 2008, the Court entered an order (Docket No. 375) (the "Sale Order") approving the sale of certain of the assets of the Debtors and the CCAA Parties[1] (the "Sellers") to Monessen Hearth Systems and Vermont Castings Holding Company (collectively, the "Purchasers"), pursuant to the terms of the Asset Purchase Agreement, dated as of June 23, 2008 (the "Asset Purchase Agreement"). The closing under the Asset Purchase Agreement occurred on July 25, 2008 (the "Closing Date").

8. The Debtors are currently in the process of (a) transitioning their businesses to the Purchasers, (b) resolving open issues in the Chapter 11 Cases, and (c) winding-down their operations.

Relief Requested

9. By this Motion, the Debtors seek an order of this Court authorizing the Debtors to abandon and, as appropriate, discard or destroy certain records which are burdensome, of inconsequential value to the estate, and not relevant to the wind-down of the Debtors' operations,

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[1] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Walker Declaration.

resolution of claims against the Debtors, any pending litigation, or any potential litigation of preference or other avoidance actions, if any.

Basis for Relief

10. Section 554 of the Bankruptcy Code provides that "[a]fter notice and a hearing, the trustee may abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate." 11 U.S.C. § 554(a). Additionally, section 105(a) of the Bankruptcy Code provides, in pertinent part, that "[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." The Court should apply the business judgment standard in reviewing the Debtors' decision to abandon property that is either of inconsequential value or burdensome to the estate. See In re Slack, 290 B.R. 282, 284 (Bankr. D. N.J. 2003) ("The trustee's power to abandon property is discretionary . . . . The court only needs to find the trustee made: 1) a business judgment; 2) in good faith; 3) upon some reasonable basis; and 4) within the trustee's scope of authority.") (internal citations omitted); Reich v. Burke (In re Reich), 54 B.R. 995, 1004 (Bankr. E.D. Mich. 1985) ("[I]f a trustee feels an asset is of inconsequential value and benefit to the estate or that it is 'burdensome to the estate,' he may abandon it.").

11. Section 363(b)(1) of the Bankruptcy Code further provides that "[t]he trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b)(1). Under section 363(b)(1) of the Bankruptcy Code, courts should generally approve a non-ordinary course transaction if the proposed use of the estate assets is within the debtor's reasonable business judgment. See e.g., In re Martin, 91 F.3d 389, 395 (3d. Cir. 1996) (stating that the court generally defers to the trustee's judgment so long as there is a legitimate business justification); In re Montgomery Ward Holding Corp., 242 B.R. 147, 153 (D. Del. 1999) (noting that courts have applied the "sound business purpose" test to

evaluate motions brought pursuant to section 363(b)); In re Delaware & Hudson R.R. Co., 124 B.R. 169, 175-76 (D. Del. 1991) (same).

12. As a result of the sale of substantially all of the Debtors' assets, the Debtors no longer need to retain certain documents currently in their possession, custody or control (the "Records") a list of which is attached hereto as Exhibit A. The Debtors' abandonment and destruction of the Records is warranted under sections 363 and 554(a).

13. The Debtors are winding-down their operations and recently closed on the sale of substantially all of the Debtors' assets. The Debtors have spent a substantial period of time reviewing their records to determine, among other things, records the Debtors may appropriately abandon, discard or otherwise dispose. The Debtors have determined that the Records, listed in Exhibit A, are not necessary to (i) the performance of the Debtors' duties and responsibilities, (ii) any pending litigation, (iii) the filing of any tax returns, (iv) the resolution of claims against the Debtors, and (v) any potential causes of action that the Debtors may have, including, without limitation, preference and avoidance actions pursuant to 11 U.S.C. §§ 547 and 548. As such, the Records are burdensome and of inconsequential value to the Debtors.

14. Because the Debtors have no proposed future operations and the Records have no independent value to these cases, there is no need to keep the Records. The cost to store the Records far exceeds the benefit of maintaining the Records. The Debtors have determined that disposing of the Records will further their efforts to effectuate an orderly wind-down of these cases by eliminating this unnecessary cost.

15. The Debtors are exploring various means of disposing of the Records. If the Debtors determine that certain of the Records contain confidential information, such Records

may require special disposal. Accordingly, the Debtors respectfully request that any Records be disposed of as the Debtors deem reasonable and appropriate.

Notice

16. No trustee or examiner has been appointed in these chapter 11 cases. The Debtors will serve notice of this Motion on: (i) the Office of the United States Trustee; (ii) counsel to the Creditors' Committee; (iii) counsel to the Bank of Montreal; (iv) counsel to the Ontario Teachers Pension Plan Board; (v) counsel to the Canadian Monitor; and (vi) those parties who have requested service pursuant to Bankruptcy Rule 2002, in accordance with Local Rule 2002-1(b). In light of the nature of the relief requested herein, the Debtors submit that no other or further notice is necessary.

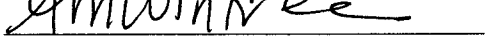
No Previous Request

17. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE the Debtors respectfully request entry of the Order, attached hereto as Exhibit B granting the relief requested herein and such other and further relief as is just.

Dated: Wilmington, Delaware
August 28, 2008

ASHBY & GEDDES, P.A.



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Attorneys for the Debtors
and Debtors in Possession

EXHIBIT A

[The Records]

Initial Document Destruction Plan of:

CFM Corporation
CFM U.S. Corporation
CFM Holdings
CFM Majestic U.S. Holdings, Inc.
2089451 Ontario Limited and Temcomex S.A. de C.V.
CFM Canada

	Dated or pertaining to periods before
Accounts Payable records including invoice copies, check runs, check registers, Time and Expense reports, receiving reports	9-Apr-07
Financial and management records including monthly closing reports, bank reconciliations, cash receipts, wire transfers and analyses	9-Apr-07
Employer Health and Safety records	9-Apr-07
Employee Health and Safety records including medical, OSHA, Workers Compensation, disability, health and dental	9-Apr-07
Occupational Health records	9-Apr-07
Sales Tax records	9-Apr-07
Fixed asset records including additions, disposals and transfers	9-Apr-07
Records pertaining to collected accounts receivable, inventory and other assets	9-Apr-07
Time and attendance records	9-Apr-07
All compensation records and calculations	9-Apr-07
Human Resources records pertaining to the hiring, employment and termination of employees including resumes, applications, reference checks, substance tests, benefit enrollments, I-9s, employee claims (actual and threatened), employee complaints (actual and threatened) and all related documents.	9-Apr-07
Records related to Staff Restructurings and reductions in force	9-Apr-07
Records pertaining to employee benefits and benefit plans	9-Apr-07
Personnel records of terminated employees	9-Apr-07
Employee training records and materials	9-Apr-07
Warehouse records including inventory movement, inventory control and inventory audit records	9-Apr-07
Records of customer orders, returns and exchanges	9-Apr-07
Product and Warranty Product Liability Claims	9-Apr-07
Public Relations materials	9-Apr-07
Patent and Patent Design records	
Merchandising, marketing and creative records not transferred to Monessen Hearth as part of the Asset Purchase Agreement (dated June 23, 2008)	9-Apr-07
Regulatory filings	9-Apr-07
Records relating to joint venture interest in National Fireplace	9-Apr-07
All records relating to acquisitions and divestitures by CFM or related entities	9-Apr-07
All other records not transferred to Monessen Hearth as part of the Asset Purchase Agreement dated June 24, 2008 (dated June 23, 2008)	9-Apr-07

EXHIBIT B

[Proposed Order]

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
CFM MAJESTIC U.S. HOLDINGS, INC., and CFM U.S. CORPORATION,	)	Case No.: 08-10668 (KJC)
	)	(Jointly Administered)
Debtors.	)	
	)	**Related Docket No. _____**

ORDER AUTHORIZING ABANDONMENT, DISPOSAL, AND/OR DESTRUCTION OF CERTAIN BOOKS AND RECORDS BY THE DEBTORS

Upon consideration of the Motion by CFM U.S. Corporation ("CFM" or the "Debtor") and CFM Majestic U.S. Holdings, Inc. ("Majestic" and, collectively with CFM, the "Debtors"), by and through their undersigned counsel, hereby move this Court for entry of an order, pursuant to 11 U.S.C. §§ 105(a), 363, and 554 of title 11 of the United States Code (the "Bankruptcy Code"), for an Order authorizing the abandonment, disposal, and/or destruction of certain books and records of the Debtors, and the Court finding good and sufficient cause to grant the motion, and good and adequate notice of the Motion having been given, it is hereby

ORDERED that the Motion is GRANTED; and it is further

ORDERED that the Debtors are authorized to abandon and destroy the Records, as set forth in Exhibit A attached hereto; and it is further

ORDERED that the Debtors may expend resources of the estate for the purpose of properly disposing of the Records; and it is further

ORDERED that this Court shall retain jurisdiction over any and all matters arising from or related to the interpretation and implementation of this Order; and it is further

ORDERED that the Debtors are hereby authorized and empowered to take such steps and to perform such acts as the Debtors deem reasonable and appropriate to implement and effectuate the terms of this Order.

Dated: Wilmington, Delaware
_____, 2008

_____
The Honorable Kevin J. Carey
Chief United States Bankruptcy Judge

File a Motion:

08-10668-KJC CFM U.S. Corporation

Type: bk	Chapter: 11 v	Office: 1 (Delaware)
Judge: KJC	Assets: y	Case Flag: PlnDue, DsclsDue, LEAD, CLMSAGNT

U.S. Bankruptcy Court

District of Delaware

Notice of Electronic Filing

The following transaction was received from Winfree, Amanda Marie entered on 8/28/2008 at 2:51 PM EDT and filed on 8/28/2008

Case Name: CFM U.S. Corporation
Case Number: 08-10668-KJC
Document Number: 538

Docket Text:
Motion to Allow *for Entry of an Order Authorizing Abandonment, Disposal, and/or Destruction of Certain Books and Records* Filed by CFM U.S. Corporation. Hearing scheduled for 9/18/2008 at 11:00 AM at US Bankruptcy Court, 824 Market St., 5th Fl., Courtroom #5, Wilmington, Delaware. Objections due by 9/15/2008. (Attachments: # (1) Exhibit A (Records)# (2) Exhibit B (Proposed Form of Order)) (Winfree, Amanda)

The following document(s) are associated with this transaction:

Document description: Main Document
Original filename:C:\TEMP\WDGX\1144\OPEN\0001\motion.pdf
Electronic document Stamp:
[STAMP bkecfStamp_ID=983460418 [Date=8/28/2008] [FileNumber=6544832-0] [9508fe0b8f3aa158b9223b8d885b8a82c88c01b8b9498d90996ce749135d7200fcec a09af41fd9f1203025b3e58ff96825df1c81881158caa203c4b86c6e4511]]
Document description: Exhibit A (Records)
Original filename:C:\TEMP\WDGX\1144\OPEN\0001\exa.pdf
Electronic document Stamp:
[STAMP bkecfStamp_ID=983460418 [Date=8/28/2008] [FileNumber=6544832-1] [257802353eb4888d0290b49a4959dfef24cfdbcc02caa37a6399abde5c3db248733e 0c5ec5ced4d1991cbc9f978244b91d59a2efb28bef39fba62b98755b6a1a]]
Document description: Exhibit B (Proposed Form of Order)
Original filename:C:\TEMP\WDGX\1144\OPEN\0001\exb.pdf
Electronic document Stamp:
[STAMP bkecfStamp_ID=983460418 [Date=8/28/2008] [FileNumber=6544832-2] [058e2b3eba02b75c80b601cd40d4a8492072d770e1689c401abc72e991184427a473 be41469e09825ac0790405bef2ba5e355034da8f42232d3ba5e1e93b40fe]]

08-10668-KJC Notice will be electronically mailed to: